

NOTES ON LOSS OF MIDDLE EAST OIL

4 March 53  
NSC Meeting.

(Sources NIE 114, 8 January 1951 and Petroleum Admin. for  
for Def. Report #135, 8 December 1952)

1952 Middle East Oil Production 2,100,000 Bbl. per day  
or 18% of World Prod.

1955 Middle East Oil Production 3,000,000 Bbl. per day  
23% of World Prod.

Reserves 65 Billion Bbls. 60% of Free World

Europe's dependence:

Middle East in 1946 supplied 56,000 Bbl. day or  
44% of requirements

Middle East in 1952 supplied 1,250,000 Bbl. day or  
90% of requirements

Western Hemisphere could in peace and for time being

Make up this difference but

- (1) Would increase Europe's dollar gap by over \$1 billion
- (2) Seriously deplete our reserves for war.
- (3) Would require immediate rationing in U.S.

In war beginning in 1953 could probably squeeze by.

In war beginning in 1956 a later shortage would be such  
as to seriously restrict our prosecution of the war.